



DRAFT

Minutes

Monday, Feb. 6, 2012

Commonwealth Enterprise Solutions Center (CESC)

Multipurpose Rooms 1222-23

11751 Meadowville Lane, Chester VA 23836

Attendance

Members present

Richard S. Alvarez
Jennifer Aulgur
John R. Broadway
Secretary James D. Duffey, Chair
Linda D. Foster
Richard D. Holcomb
Lt. Col. Robert G. Kemmler

Jamie Lewis
Christopher I. McIntosh
Belchior Mira
CIO Sam Nixon, Vice Chair
Cathy Nott
Dr. Ernest F. Steidle
Jamie Walton

Members absent

Karen R. Jackson

Dendy Young

Others present

Janice Akers, VITA
Cameron Kilberg, Office of the
Secretary of Technology
Randy McCabe, Department of
Accounts

Jerry Simonoff, VITA
David Mix, Department of Medical
Assistance Services
Michael Watson, VITA

Call to Order

Chairman Duffey called the meeting to order at approximately 1:04 p.m.

Chairman Duffey asked Ms. Akers to call the roll. Ms. Akers confirmed the presence of a quorum.

Chairman Duffey noted that draft minutes from the Nov. 7, 2011, meeting were posted online and members were provided with a link to the minutes. He asked if members had changes or corrections to the minutes. There were none. Chairman

Duffey asked for approval of the minutes. A motion to approve was brought forth and seconded. The minutes were approved on a voice vote.

Chairman Duffey kicked-off the meeting by saying he wanted to focus on projects building on the information technology (IT) infrastructure in an enterprise fashion. He said moving to enterprise IT management will help better manage the state as a business. He sees this as a way to build robust information and make smart business decisions. Chairman Duffey said the presentations at today's meeting provide a snapshot of what the Commonwealth is doing to achieve this goal.

Commonwealth Security in 2011

Mike Watson, Acting Chief Information Security Officer of the Commonwealth, gave a presentation on "Commonwealth Security in 2011." He highlighted security trends and threats that the state faced in 2011. He stated that governments are the number one target of cyber attacks with larger numbers of security breaches than private industry. This, he said, is because government collects millions of pieces of data that can be exploited by cyber criminals. He noted that Virginia cyber attacks decreased by 11 percent from 2010. Mr. Watson said that VITA helps protect the Commonwealth from these types of attacks - both those from inside and outside the U.S.

Mr. McIntosh arrived at 1:14 p.m.

Mr. Watson showed board members a map of where attacks typically originate. The number one country from which cyber attacks originate is China. Chairman Duffey asked how effective Virginia is in securing data. Mr. Watson explained that Virginia falls in line with the number of attacks seen elsewhere based on the security team's analysis that the Commonwealth has more than 60,000 IT assets and one of the largest infrastructures. He also pointed out that he has seen a 19 percent increase in new types of malware being introduced and that his team has been successful in blocking these extensions or domain names. Dr. Steidle asked for a classification of attacks, and whether the hackers are trying to see information or adding mischief to the system. Mr. Watson said most are looking to steal financial information or are key logging to learn a user's habits. He said VITA is working with agencies to train end users to protect laptops and keep them safe, and those efforts have been successful because physical loss is down 10 percent.

CIO Nixon asked Mr. Watson to explain who he works with in the field of cyber security to stay on top of these threats and trends. He also pointed out that the Commonwealth's cyber security infrastructure defends against 10 million cyber attacks per month. Mr. Watson listed several federal agencies, such as the FBI, US-CERT and MS-ISAC, that share information on intrusions, phishing campaigns, etc. Mr. Holcomb said DMV currently is having an issue with its customers being re-directed away from DMV to pay online. He said that with 80 percent of DMV transactions being done online that this is a major concern. Mr. Watson confirmed that his team has been researching that concern and pointed out that citizen banners are available on the VITA website to help educate end users.

The Governor's Cyber Security Initiative

Chairman Duffey asked Ms. Kilberg to discuss the robust inventory of cyber security in the Commonwealth and that companies are moving to Virginia because of initiatives in this area. Ms. Kilberg presented on the Governor's Cyber Security Initiative.

Ms. Kilberg explained that Virginia has set up an innovation ecosystem, broad spectrum, for the Governor's Initiative to grow the cyber security solutions. The ecosystem includes: business, federal assets, data centers, workforce and education. Four major companies have headquarters in Virginia, and there are an additional 300 cyber-security focused companies because of the Commonwealth's cyber security initiatives and solutions. Virginia has multiple federal IT assets located within its boundaries. In addition, it is home to 50 data centers and that number is projected to grow to 70 by 2022. Three Virginia data center locations were named to the "Ten Best Data Center Sites in the South." Ms. Kilberg noted that Virginia has the highest concentration of technology workers and is number one for computer science jobs. She said 2,000 students graduate each year from public and community colleges in the cyber security field in Virginia.

Ms. Kilberg outlined the initiatives and plans underway in the proposed 2013-2014 budget. She said these initiatives are focused on three specific areas: marketing, the increase of cyber education at K-12 and higher education, and company formation. Ms. Kilberg pointed out that an advisory board, through the Center of Excellence, will guide the industry's growth and advise the Governor on these initiatives. Chairman Duffey said the investment in cyber security is going to grow. He said Virginia's response by putting the ecosystem in place creates an environment that is very competitive and Virginia can grow in the security marketplace.

DMV Prepares for "FACE" Lift

Mr. Holcomb, Commissioner, Virginia Department of Motor Vehicles (DMV), gave an overview of DMV's new enhanced customer service system called "FACE." FACE is "For All Customers and Employees" and DMV refers to this program as giving DMV a 'FACE'-lift. The program began in July 2011 and has included overhauling legacy systems and delivering measurable results faster. DMV began with front-end transactions processing as the pilot on January 17, 2011, at the Tappahannock customer service center.

mySelect pilot was developed in six months and leveraged existing web-based applications. There was daily input from DMV operations staff to ensure it met the needs of employees. Mr. Holcomb also pointed out that program management of this pilot supports a flexible, goal-oriented model that allows the agency to adapt to changing demands and the environment.

Some of the DMV system highlights are: single log-in using the Commonwealth of Virginia (COV) username and password; shopping cart for bundling transactions; customer console; simple inventory interface with improved security; easy controls and drop-downs for all codes that will decrease training times for new hires. Mr. Holcomb said that the next pilot customer service center will be at the Richmond headquarters in March with plans for all locations by the end of the fiscal year. He said plans for the next segment of the FACE program will be development of a motor carrier portal and a new correspondence system. Mr. Duffey thanked Mr. Holcomb for his excellent leadership with this very exciting program.

VITA Update

Sam Nixon, Chief Information Officer of the Commonwealth, gave an overview of the "State of Information Technology in the Commonwealth." Mr. Nixon stated that this information is being shared with General Assembly members. He noted on his topics for discussion were the IT management in Virginia, a 50,000-foot view of enterprise applications, CoVA IT spend and insight to challenges.

CIO Nixon announced that of 82 agencies have been transformed and that critical mass of transformation to a secure infrastructure has been achieved. He said VITA has stable finances for the first time in five years and there have been improvements in processes and metrics. A goal in the enterprise initiatives was to increase efficiency and productivity of state government. CIO Nixon said that the Commonwealth is on our way with multiple programs. He provided examples of active major IT projects and pointed out that VITA costs are typically less than 2 percent of agencies' overall budgets. He reported 8,000 personal computers (PCs – including desktops, laptops and tablets) were refreshed in 2011 and another 14,000 PCs are expected to be refreshed in 2012.

Mr. Nixon outlined VITA's challenges and what is being done to address those challenges. He noted that the perception versus the reality of VITA and its services are far apart, and that VITA is adding value. He said work request processing is faster, and said the IT infrastructure program with Northrop Grumman is improving in terms of agility and responsiveness. He pointed out that there are 2,000 legacy systems and 17 percent of those are more than 10 years old.

Health and Human Resources Modernization Program

David Mix, HIT/MITA Program Manager, Virginia Department of Medical Assistance Services, gave the board an update on the Health and Human Resources Modernization Program. Mr. Mix gave an overview of the program and pointed out that this is a coordinated effort between federal and state agencies to address health care reform. He said these efforts are being driven by the American Recovery and Reinvestment Act (ARRA) and the Patient Protection and Affordable Care Act (ACA). There is funding available to the states from both of these acts, and Mr. Mix stated that there is a strategy to leverage Medicaid IT Architecture

(MITA) to address both of the act requirements by leveraging Virginia's existing assets.

Mr. Mix showed a diagram of the "To-Be COV State Government Enterprise" that displayed the expansion of the Commonwealth Authentication Service, the Enterprise Service Bus and its services, and the business rules that will enable greater flexibility for agencies in the future. Mr. Mix sees an expansion in capacity for the enterprises technical infrastructure, along with the infrastructure and business support. In summary, he noted that Virginia Medicaid is making a capital investment in its technology infrastructure with notable assistance from VITA and DMV. Mr. Mix said the hope is to build a subscription model for the enterprise for billing purposes.

Cardinal

Randy McCabe, Assistant State Comptroller Accounting and Reporting, Department of Accounts (DOA), was asked to update the board on the Cardinal program currently underway at DOA. Mr. McCabe noted that Cardinal is a result of collaboration between VDOT and DOA. VDOT has been successful in its request for proposals and requirements and brought up Cardinal in December 2011.

DOA is taking its Cobalt system from 1978, upgraded in 1985, and looking for a smooth transition in replacing Confirmation of Agency Reconciliation (CARS). DOA is not rolling out all the modules rolled out at VDOT; however, VDOT is planning a CARS agency-wide roll-out in late 2012. Mr. McCabe estimates a staggered statewide roll-out to be completed in July 2014. The project is predominantly funded by VDOT, the rest will come from the Commonwealth. He said that CARS is a high-risk system because of its age.

Mr. McCabe calculates that \$60 million will be needed for roll-out, and said this does not include the interfaces that will be the agencies responsibility. His intention is for agencies not to change quickly, rather methodically.

New Business

Chairman Duffey asked for new business.

ITAC Board member Christopher McIntosh commented that during Mr. Nixon's presentation he learned about new initiatives that will solve issues he is currently facing. He suggested more education and getting the word out about VITA's good work. He also proposed a presentation idea for the next ITAC meeting on networks and communications failures around natural disasters. He offered to give the presentation based on his experiences.

Public Comment

Chairman Duffey asked for public comment. There was no public comment.

Adjourn

Chairman Duffey adjourned the meeting at approximately 3:02 p.m.